

The Fair Care Act of 2020

Introduced by: Rep. Bruce Westerman (AR-04)

Title I: Medisave

Subtitle A — Establishment of Medisave Accounts

This subtitle consolidates HSAs, FSAs and HRAs into one account where pre-tax dollars (including APTCs and CSR payments) can be used to purchase qualified medical expenses, monthly premiums and direct primary care (DPC).

Subtitle B — Support in Implementation

This subtitle provides incentives for individuals to establish Medisave accounts including a federal match for the first year, requiring new businesses and federal employees to participate, and authorizing educational grant programs.

Title II: Improving Private Health Insurance

Subtitle A — Maintaining Protections for Patients with Preexisting Conditions

This subtitle codifies all Affordable Care Act preexisting protections in HIPAA pending a Supreme Court ruling.

Subtitle B — Expanding Coverage Options

This subtitle codifies Administrative policies relating to Association Health Plans (AHPs) and Short-Term Limited Duration Insurance (STLD). Promoting these plans will offer greater and more affordable coverage options for individuals.

Subtitle C — Improving Commercial Health Insurance

This subtitle enacts provisions to strengthen and increase enrollment in the commercial marketplace, provides flexibility to states wishing to improve their exchanges and restructures risk sharing policies to encourage healthy individual participation while protecting those with preexisting conditions.

- “Invisible Guaranteed Coverage Risk Pool” to manage catastrophic medical costs, lower premiums and protect preexisting conditions
 - Employer mandate repeal
 - Eligibility for APTCs towards individual plans even if offered Employer-Sponsored Insurance
 - Adding more affordable “Copper” plans to the exchange
 - Expanding premium subsidies to 600% FPL and including Copper and Bronze-tiered plans
 - Increased flexibility, savings, and transparency for state-run exchanges
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TITLE III: Competition, Transparency and Accountability

Subtitle A — Provider and Insurer Competition

This subtitle enacts provisions that promote provider competition, reduce incentives for hospital mergers, and increase anti-competitive authority relating to hospitals, providers and insurers.

- Hospitals serving a large, non-rural, population must accept Medicare Advantage rates from commercial insurers
- Increased authority to investigate and discourage anti-competitive hospital behavior
- Prohibition of numerous anti-competitive terms in insurance contracts

Subtitle B — Price Transparency

This subtitle promotes transparency among hospitals, providers and insurers, with a direct benefit to patients.

- Insurers must publish in-network providers and hospitals must publish prices for services
- National All-Payer Claims Database to collect, report on and facilitate lower health care costs
- Timely, transparent hospital bills will be sent to patients
- Reporting on hospital, provider and insurer practices including the 340B program

Subtitle C — Prescription Drug Competition and Innovation

This subtitle addresses many problems in the pharmaceutical approval process and post-market practices that lead to increased costs to patients and the entire health care system.

- Increased development of and access to generic and biosimilar products
- Innovative therapies may treat a wider base of patients during clinical development
- Drug manufacturers and payors must engage in fair negotiations
- Congressional review and approval of costly FDA rulemaking

Subtitle D — Prescription Drug and Pharmacy Benefit Manager Transparency

This subtitle enacts provisions that promote transparency regarding drug manufacturers' patents and Pharmacy Benefit Managers' (PBMs) misleading practices and role in the drug supply chain.

- Increased drug and biological product patent transparency
- Prescription drug price reductions and fees must be transparent and reflected at the point of sale
- Extensive oversight of the role and practices of PBMs, including eliminating DIR fees

Subtitle E — Medicare and Medicaid Prescription Drug Reforms

This subtitle enacts provisions to lower the cost of drugs directly purchased by the federal government

- Prescription drug price increases in Medicare Part B are limited to that of inflation
- Market-based International Price Index for Medicare drug pricing

Subtitle F — Medical Malpractice Reforms

This subtitle enacts provisions that reform costly litigation surrounding health care lawsuits where the care was provided or subsidized by the federal government.

- Liability protections for providers, including a statute of limitation on lawsuits
- Eligible medical expert witness definitions
- Limit of compensation and requirement to be paid to patient over lawyers

TITLE IV: Medicare and Medicaid Reforms

Subtitle A — Medicaid Reforms

This subtitle enacts provisions that provide greater flexibility to states' Medicaid programs and close the gap in coverage for people on the border of eligibility for Medicaid and premium assistance in the individual market.

- Flexible state funding allocation based on a states' Medicaid population
- Fiscal accountability and solvency through decreasing "state provider taxes"
- 1115 waivers may include direct primary care
- Expanded premium assistance in the commercial market for able-bodied, low-income individuals that don't qualify for Medicaid in their state

Subtitle B — Medicare Reforms

This subtitle enacts provisions that equally promote medical services from different providers, addresses government overspending in Medicare, and provides tax relief for beneficiaries.

- Site-neutral payments for Medicare Part A and B services to expand patient choice
- Net Investment Tax Repeal
- Promotes solvency by eliminating Medicare eligibility for multimillionaires and reducing coverage of bad debt

Subtitle C — Medicare Choice and Competition

This subtitle modernizes and introduces market-based solutions to address the growing elderly health insurance market. Specifically, it establishes an online platform with a competitive bidding process that allows beneficiaries to easily compare fair coverage options.

- Modernized enrollment through online competitive bidding platform
- Premium savings go directly to the beneficiary
- Limits yearly premium increases to no more than \$20/month
- Reformed supplemental coverage for better accessibility, less confusion and guaranteed issue on Medigap plans
- Direct Primary Care option for seniors with simple cost sharing and benefits

Subtitle D — Telehealth Improvements and Expansion

This subtitle modernizes telehealth coverage, eases requirements and promotes broader access.

- Expanded number of health care professionals that can provide telehealth services
 - Reduced geographic limitations for mental health services and those furnished at FQHCs and RHCs
 - Waiver authority to increase telehealth options and access as quality and costs improve
 - Telehealth expansion during health emergencies
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